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August 1st, 2009

Board of Governors of the Federal Reserve Board
20th and C Streets, NW
Washington, DC 20551

Re: Docket No. R-1364
Interim Final Rule Implementing the Credit Card Accountability Responsibility and
Disclosure Act

Dear Board of Governors of the Federal Reserve Board,

On behalf of INOVA Federal Credit Union, I am writing to the Board of Governors of the Federal Reserve Board to respectfully request that the Board *delay* compliance with the 21-day notice provisions for open-end plans, other than credit cards, set to take effect August 20, 2009, under the Board's new interim final rule implementing the Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act). INOVA Federal Credit Union represents approximately 30,000 members in thirteen states.

The proposed rule has significant unintended consequences for INOVA Federal Credit Union and its membership.

The proposed rule will create a hardship for our membership and INOVA Federal Credit Union. The new rule will cause INOVA Federal Credit Union to change the due date for all open end lending products to the 28th of each month. INOVA Federal Credit Union offers an open end lending program for all lending products which allows the member to choose a due date that meets their budget capabilities.

The proposed rule will create a hardship for our membership and INOVA Federal Credit Union. INOVA Federal Credit Union currently offers HELOC's to its membership with a due date, for these HELOC products, of the 28th of each month. INOVA Federal Credit Union offers a full service first mortgage lending program to its members and the only due date offered for first mortgages is the first of the month. In most members' situation the majority of their monthly payments will be due within three or four days from the 28th of each month.

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The vast majority of INOVA Federal Credit Union's members are paid other than monthly therefore limiting their flexibility in restructuring their ability to pay their bills on a timely basis. Members paid weekly or biweekly will be forced to pay ahead by a month at a time to stay current and members who use automated payment transfers will be forced to change not only the dates for any INOVA accounts but all other debts as well.

The proposed rule will create a hardship for our membership and INOVA Federal Credit Union. These difficult economic times have strained the membership and this new rule will cause additional pressure and panic to our members. INOVA Federal Credit Union takes pride in customizing their member's financial relationships. Our members enjoy the feeling of ownership, in a small part, by selecting a due date that meets their individual as well as their family needs. The proposed rule will now create a due date for credit cards, HELOC's, and all open end products of the 28th of each month with their mortgage payment coming due two or three days later. The reality of the budgeting hardship for the membership will be swift and severe.

The proposed rule will create a hardship for our membership and INOVA Federal Credit Union. Our members enjoy the simplicity and convenience of looking at one monthly statement to review their up to date financial picture. Mailing one monthly combined statement creates substantial cost savings for INOVA Federal Credit Union. The current proposed rule will require INOVA Federal Credit Union to mail two additional statements to comply with the rule and the cost for the additional statements will be burdensome on an already difficult operating environment. The opportunity to confuse or inconvenience the membership is enormous and the reputation risk to INOVA Federal Credit Union will be substantial.

The proposed rule will create a hardship for our membership and INOVA Federal Credit Union. INOVA Federal Credit Union members enjoy great rates for paying their obligations on time. Members who make payments late are penalized with a late charge. The proposed rule will make it difficult, if not impossible, to charge a late charge. The members who pay late will be treated the same as members who pay on time. This consequence goes against every personal and professional ethic ever taught or learned in life. The loss of the fair and timely late charge income will put additional burdens on operating budgets already strained by economic conditions.

In light of these concerns, it is critical that the Board use its authority, under the Truth in Lending Act, as it has when implementing previous TILA amendments, to allow more time for credit unions to comply with these provisions so they are not subjected to needless legal challenges.

Respectfully,

A handwritten signature in black ink, appearing to read 'J.A. Katalinich', with a stylized flourish at the end.

John A. Katalinich
Chief Lending Officer
INOVA Federal Credit Union